

SENATOR WILL: Thank you, Mr. Speaker, members of the body. This is a bill that I introduced on behalf of the Omaha Public School District. It's a bill that was heard by the Retirement Committee, was advanced from committee without a no vote. It has previously been on the consent calendar. I did prioritize it, however, even though I believe it is consent calendar material. I prioritized it because I believe it's important enough to come up this session. What the bill would do, in general terms, is make some adjustments to the retirement system for the Omaha Public School District only. It is a bill that is a product of a study that was conducted by the Board of Trustees of that retirement system. You have several handouts on your desk that explain the main impact of the bill and how some of the individual provisions of the bill would work. Just briefly, it would...one of the main things it would do is provide a cost of living adjustment to the retirees in the Omaha Public School District's Retirement System. It would restore current retirees to 90 percent of the original purchasing power that their pensions had at the time that they retired. For more recent retirees there would be a 3 percent per year increase, up to 9 percent to enhance the retirement package for them. It also...there is a formula multiplier that one of your handouts explains fairly simply that currently is 1.7 percent. That would be increased to 1.8 percent, and as a consequence that would increase the monthly benefit the retirees get. The package would also adopt a Rule of 85, where if age plus years of service equals 85, then an individual could retire without losing anything from their pension. For individuals under age 62 there would be a decrease that would be contemplated by the bill if the individual chose to retire. I would want to point out also that this legislation does increase the employee contribution rate from 5.8 percent to 6.3 percent of compensation, which would be matched by the school district. This bill also is not just applicable to teachers, it applies to all employees of the Omaha Public School District. Another key feature of this is that all individuals affected agree. The district brought this bill to me, the teachers support it, the employees union support it. This is something that is not only...I do want to emphasize it applies to Omaha Public System only. It also has been agreed upon by all parties, as I just mentioned. There is absolutely no cost to the state. This is totally internally funded within the Omaha Public School System. And in addition, the school system, as another of your handouts emphasizes, anticipates an actual cost-savings from this because